

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3345-01
Bill No.: HB 1248
Subject: Courts; Crimes and Punishment; Motor Vehicles; Transportation.
Type: Original
Date: January 21, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	(Could exceed \$100,000)	(Could exceed \$100,000)	(Could exceed \$100,000)
Highway Funds	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>All</u> State Funds	(Could exceed \$100,000)	(Could exceed \$100,000)	(Could exceed \$100,000)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Highway Funds	\$0	(\$22,100,000)	(\$44,200,000)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	(\$22,100,000)	(\$44,200,000)

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator (CTS)** state that while they do not have information on the number of offenses that could apply, there is the potential for a significant workload impact on the courts. CTS states that any significant impact would be reflected in future budget requests.

Oversight assumes the additional cost to the courts could exceed \$100,000 per year.

Officials from the **Department of Revenue (DOR)** assume this proposal will allow an individual to petition a court asking the court to seal a misdemeanor traffic offense that is not related to driving while intoxicated. The Driver and Vehicle Services Bureau will be required to edit such orders and seal convictions per the court's order. The Driver and Vehicle Services Bureau is not able to determine the number of court orders that will be received pursuant to this proposal. The impact to the Driver and Vehicle Services Bureau is UNKNOWN.

The Information Technology Management Bureau will be required to modify computer programs to the Missouri Drivers License System. Costs of approximately \$2,000 are expected for Fiscal Year 03. Also, the provisions of this proposal will require computer systems modifications. The division will incur State Data Center costs of approximately \$3,400 in Fiscal Year 03.

Oversight assumes the additional computer costs could be absorbed with existing resources.

DOR further assumes this proposal violates the Motor Carrier Safety Improvement Act of 1999. Through this act, state driver licensing authorities are required to provide employers of motor vehicle operators with complete driving records. Masking convictions is specifically prohibited. DOR assumes this noncompliance may result in the loss of federal highway funding.

Officials from the **Department of Transportation (DHT)** state this legislation would allow the sealing of traffic offenses of drivers, except for alcohol-related driving offenses from employers and insurers. Federal law requires these records be made available upon request to any employer and prospective employers of commercial motor vehicle operator that is eligible. Without this exception, DHT will be in non-compliance with federal law and subject to the 5 percent and then 10 percent penalties to highway funding.

ASSUMPTION (continued)

If DHT is ruled out of compliance with the federal CDL program, 5 percent of the funds apportioned to the state under sections 104(b)(1)(NHS funds), 104(b)(3)(STP funds) and 104(b)(5)(interstate maintenance), of Title 23 of the United States Code, will be withheld. For the second year and subsequent years of non-compliance, 10 percent of the above funds will be withheld.

DHT states that Federal funds will be withheld on the first day of the fiscal year following the first year of non-compliance. If the proposal becomes law on August 28, 2002, the first federal distribution affected will be the federal year 2004 which begins October 1, 2003. DHT estimates the federal years, the corresponding state fiscal years and the negative fiscal impact to be:

<u>Federal Year Beginning</u>	<u>State Fiscal Year</u>	<u>Fiscal Impact</u>
October 1, 2003	FY04	(\$22.1 million)
October 1, 2004	FY05	(\$44.2 million)

Officials from the **Office of the Attorney General (AGO)** did not respond to our request for fiscal impact. However, in a response to a similar proposal in the prior session, AGO assumed the proposed legislation would have no fiscal impact on their agency.

Officials from the **Department of Public Safety (DPS)** did not respond to our request for fiscal impact. However, in response to a similar proposal in a prior session, DPS assumed the proposal would allow for each person to only have one application to partially seal the qualifying records. In order to ensure that only one record is sealed statewide, a central repository for traffic offenses must be established. However, this legislation does not provide any guidance whether this is to be done; therefore, DPS is unable to estimate any potential costs and personnel needs.

Oversight assumes the potential cost to general revenue is UNKNOWN.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
GENERAL REVENUE FUND			
<u>Costs</u> - State Courts Administrator Hearings and processing of partially sealing all official records of persons related to traffic conviction	(Could exceed \$100,000)	(Could exceed \$100,000)	(Could exceed \$100,000)
<u>Costs</u> - Department of Public Safety Establishing central repository for traffic offenses	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(Could exceed \$100,000)</u>	<u>(Could exceed \$100,000)</u>	<u>(Could exceed \$100,000)</u>

HIGHWAY FUNDS

<u>Costs</u> - Department of Revenue Seal convictions per court orders	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON HIGHWAY FUNDS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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FEDERAL FUNDS

<u>Loss</u> - Federal Highway Funds to Department of Transportation	<u>\$0</u>	<u>(\$22,100,000)</u>	<u>(\$44,200,000)</u>
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ESTIMATED NET EFFECT TO FEDERAL FUNDS	<u>\$0</u>	<u>(\$22,100,000)</u>	<u>(\$44,200,000)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could impact those small businesses who would not be able to determine the complete driving records of their employees or prospective employees.

DESCRIPTION

This proposal allows persons who plead guilty to or are convicted of a misdemeanor or first offense traffic violation one opportunity to make application to partially seal the records of the offense.

A court hearing determines whether the application is granted. Sealing the records denies access to employers beginning one year from conviction and to insurers beginning two years from conviction.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the State Courts Administrator
Department of Revenue
Department of Transportation
Office of the Attorney General
Department of Public Safety



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Acting Director

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